Inventory No.: OS6273

ROC			PHONE CALL		CONFERENCE	DATE:10/29/12
		Х	DISCUSSION		FYI	TIME:8:00 am
TO: FILE FROM: Arnold Bierschenk						
SUBJECT: Permit modification for permit number 06S1264P6273 for Area						

SUBJECT: Permit modification for permit number 06S1264P6273 , for Area Permit, North Burbank field covering, Township 27N, Range 05E and 06E.

PERMIT REQUEST: The operator has requested a modification to expand the area permit to allow for future expansion of the CO2 enhanced recovery project. In addition, language changes were needed to correct some initial typographical errors in the permit. Also, the treatment of existing wells which had been previously approved for injection, but having surface casings less than the 500 foot standard for new wells under the area permit was addressed. If the wells could be re-cemented to get 500 foot of cement behind the outermost casing the operator would rehabilitate the well. If the outermost surface casing extended at least 50 feet below the USDW but did not extend to 500 feet, it was deemed sufficient construction as many of these wells were previously permitted as injectors. This was a better option than shooting holes through liners and casings and trying to squeeze cement outside from 500 foot to the bottom of the outermost casing, which would cause more potential for future leaks and MIT failures.

RECOMMENDATIONS & CONCLUSIONS: The permit modification will correct certain scenarios which went unanticipated during initial permit drafting, and allow the operator to safely and systematically expand the CO2 flood enhanced recovery operation in a controlled manner.